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NIAGARA MOHAWK POWER CORPORATION
A **National Grid** Company
300 Erie Boulevard West
Syracuse, New York 13202
August 28, 2002

Honorable Janet Hand Deixler, Secretary
State of New York
Public Service Commission
Office of the Secretary, 19th Floor
Three Empire State Plaza
Albany, New York 12223

RE: Case No. 00-M-0504

Dear Secretary Deixler:

The attached leaf, issued by Niagara Mohawk is transmitted for filing in accordance with the requirements of the Public Service Commission, State of New York:

Second Revised Leaf No. 186.7

To P.S.C. No. 218 Gas

Effective: August 29, 2002

The purpose of this filing is of a housekeeping/conforming nature to revise the tariff provisions of Service Classification No. 11. Specifically, Rules 1a and b under the Marketer Deposits and Prepayments section of Service Classification 11 have been revised to incorporate language in Order issued and effective May 9, 2002 in Case No. 00-M-0504. These rules have been expanded to include that either the Marketer or it's parent, if the parent agrees to act as guarantor for the Marketer, can provide evidence of creditworthiness in the form of a sufficient bond rating from an independent rating agency.

Staff of the Public Service Commission has requested this revision, to which Staff of Niagara Mohawk has agreed.

Since the requirements of Section 66(12)(b) of the Public Service Law as to newspaper publication of these tariff amendments was waived in accordance with Ordering Clause No. 2 of the above original Order, the Company respectfully requests that the requirements be waived for this revision as well.

Please advise Marcia Collier of any action taken in regards to this filing. Inquiries regarding this filing should be directed to John T. Powers at (315) 428-5613.

Sincerely,

John T. Powers
Gas Rate Analyst

JTP/jsc (L: tariffs/218tarif/wpfiles/letters/lett225)